

**FINAL MINUTES OF THE
REGULAR BOARD MEETING
April 19th, 2013 8:40 A.M.**

Call to order and roll call

The meeting was called to order by Kevin Yeanoplos, Chairman at 8:40 a.m.

Those board members present at roll call:

Frank Ugenti

Erik Clinite

Jeff Nolan

Kevin Yeanoplos, Chairman

Michael Petrus, Vice Chairman

Absent members at roll call:

Joe Stroud

James Heaslet

Staff Attendance:

Debra Rudd, Executive Director

Jeanne Galvin, Assistant Attorney General

Amanda Benally, Compliance Officer

Nancy Inserra, Compliance Officer

Pledge of Allegiance, Approval of the Minutes

After the pledge of allegiance, Kevin Yeanoplos explained that the minutes could not be approved due to a lack of a quorum, until Mr. Heaslet could join the meeting later in the day. He encouraged everyone to read the items posted in the newsletter from the Appraisal Foundation regarding identifying comparables, and drafts on proposed changes to USPAP.

Mr. Yeanoplos' opening remarks included his encouragement for everyone to look at the information coming out of the Appraisal Foundation. He described two recent exposure drafts, one identifying comparables and another released on February 1st, 2013 regarding proposed changes to USPAP. He then stated that he thought that due to the changes in the way they are now operating with most of the cases being Standard 3 reviews at the initial file reviews, that the board members accept the findings in the reports, similar to the manner that they have done in the past when an investigation has been ordered. Discussion by the board members regarding the acceptance of the investigator's reports ensued, with questions from the board members about the need to accept. No action was taken.

Mr. Yeanoplos asked the board members to explain their answers if they vote against a motion in deference to the Auditor General's report. Additional discussion ensued, with a reminder that none of this was on the agenda. Ms. Galvin and Mr. Yeanoplos requested that the board members identify themselves during the voting process to assure that the audible recordings of the meetings would be able to identify them.

Mr. Heaslet joined the meeting telephonically at 8:45 a.m.

The minutes of the meeting for March 4th, 2013 were discussed. Mr. Ugenti motioned to approve the minutes, and Mr. Petrus seconded the motion. All voted in favor. Further discussion revealed that Mr. Nolan had been left off of the minutes as being in attendance. Mr. Ugenti and Mr. Petrus withdrew their motion and second. The minutes were tabled until corrections could be made.

Mr. Petrus motioned to approve the minutes of the meeting for March 15th, 2013. Mr. Clinite seconded the motion. Kevin Yeanoplos abstained from the approval as he was not in attendance for the full meeting. The remainder of the board members voted in favor of the motion.

Mr. Petrus moved that the minutes of the March 25th, 2013 board meeting be approved. Mr. Ugenti seconded the motion. All voted in favor of the motion with the exception of Mr. Yeanoplos who abstained.

Investigative File Review – Case 3476, Julie Kearns

Respondent was not present. Mr. Yeanoplos and Mr. Petrus noted that the investigator's report found no USPAP violations except the three year history of the appraiser's involvement with this property. Mr. Petrus motioned to approve the investigator's report with a Level 1, Letter of Concern. Mr. Ugenti seconded the motion. All approved with the exception of James Heaslet who abstained from the vote.

James Heaslet left the meeting at 9:00 a.m.

Informal Hearing – Case 3374, Gwen Baker Certified Residential Appraiser

Respondent was present. Ms. Baker agreed with three of the findings of the investigator's report, but stated that the errors were not meant to be misleading. She refuted the reliance of the investigator on the affidavit of value over the loan information shown in Maricopa County records. She explained her use of old MLS reports in her confirmation of sales as they provide details about the property. When questioned about the condition of one of the sales that had not been listed at the time of the sale, she stated that she drove by the exterior of the house. Upon further questioning, she admitted that she could not verify the interior of the house. She stated that this report is five years old; thus she cannot recall the inspection. She may have looked in windows at the time if the house was vacant. After additional discussion of the findings in the investigator's report and the age of the report by the board members, Mr. Petrus made a motion for Ms. Baker to submit a log of her appraisals from the past year, for staff to select three from the log and for Ms. Baker to send these reports along with the work files for the board to audit and then to invite her back. Mr. Ugenti seconded the motion. All members approved the motion.

Informal Hearing – Case 3422, Doug La Rocca Certified General Appraiser

Respondent was present. At the November, 2012 meeting, the board had an investigative report regarding the two appraisal reviews that was the subject of this case. In January, 2013 the board received a reply from Mr. La Rocca that he was not living in Arizona and did not intend to renew his license when it expires. Mr. La Rocca, a certified general

appraiser, confirmed that he is now living in California and does not intend to renew his certificate here. Although he completes commercial appraisals, he completes approximately 30 residential reviews a year. Mr. La Rocca refuted the findings in the investigator's report regarding both reviews. The board members noted geographic competency issues, adding this to the investigators findings and discussed discipline options. Mr. Ugenti motioned to offer a consent agreement for Level III, noting those items found in the investigator's report along with the ethics competency violation. The discipline offered is to restrict his practice to non-residential reviews (including field reviews) in Arizona. Mr. Petrus seconded the motion. Results of further discussion amended the motion to refer the matter to a formal hearing at the Office of Administrator Hearings if Mr. La Rocca did not accept the offer. The motion carried unanimously.

Compliance File Review – Case 3441, Kurt Goeppner

Respondent appeared telephonically. The matter was before the board following his submission of the board requested information at a previous meeting. Mr. Yeanoplos gave a summary of the case, which concerns non-disclosure of items shown in his renewal applications regarding question number 10 on the application. After lengthy discussions about the respondent being charged with a criminal offense, which includes DUI's, the board members discussed what level of discipline would be applicable. Upon conclusion of the discussion, Mr. Clinite motioned for a finding of a Level IV discipline, for violating A.R.S. 32-3631 A(1) and (5), to offer a consent agreement with a 90-day suspension. Mr. Ugenti seconded the motion. On a voice vote, Ugenti – yes, Clinite – yes, Nolan – no, Yeanoplos – no, Petrus – yes, the motion carried 3 to 2.

Initial File Review – Case 3527, Ned Trivanovich

Respondent was present. Mr. Yeanoplos read the summary into the records. The owner is the complainant who alleged that the appraisal did not reflect current market conditions. The complainant also alleged unprofessional behavior. The respondent replied that the owner was upset due to a previous appraisal they had completed in 2010 which had a higher value. He denied the allegation of unprofessional conduct. The board's contract reviewer cited that the lack of AMC fee disclosure and the three year history of the appraiser regarding this property were missing. Mr. Petrus questioned the Respondent about the lack of value shown in the report for the large Ramada in the rear yard of the report. The Respondent described the Ramada as being 37' x 37'. He stated that this particular owner valued the Ramada but that there was no support found that a typical buyer would give value for this item. However, Mr. Trivanovich pointed out that it was contained in the USPAP addendum in the report. The board acknowledged the error of the reviewer for the board. They did note that the lack of disclosure of the fee for the AMC client was a violation of state statute but that this was only a Level 1 non-disciplinary matter. Mr. Petrus motioned to offer a letter of concern for the lack of fee disclosure for this AMC client. Mr. Yeanoplos seconded the motion. All members voted in favor of the motion.

Initial File Review – Case 3538, Cynthia Guell and Case 3539, Debra Rudd

Respondents were present. Mr. Yeanoplos read the summary into the records. Complaint Summary: The complaint was filed anonymously and alleged that the appraisal lacked

sufficient data and commentary to support the valuation of a \$1,200,000 property. Specifically, the complainant felt there should have been more photos of the subject and more support for the adjustments applied to the comparable sales. Respondent's Reply Summary: The respondent states that the appraisal contained sufficient narrative comments in addition to land sales data provided in the cost approach to support site and location adjustments. Ms. Guell defended the comparable sales data presented and the analysis of that data which she believes resulted in a credible appraisal report. Ms.. Rudd stated that she fully reviewed the appraisal and agreed with the results. The respondent has requested that both this, and complaint 3538 against Cynthia Guell be dismissed as baseless. Mr. Petrus addressed the items in the complaint as not being credible. He did not find any deficiencies or violations. Mr. Ugenti agreed that his research and review did not find any USPAP violations in this report that was done five years ago. Mr. Petrus made a motion to dismiss the complaint. Mr. Ugenti seconded the motion. Mr. Clinite for full disclosure reasons wondered if this complaint should not be sent to an outside investigator. Mr. Ugenti stated that he did not want to treat this appraiser or Ms. Rudd differently, just because Ms. Rudd is the Executive Director. Mr. Petrus stated that he too would not want to treat Ms. Guell or Ms. Rudd unfairly just because of her position. He thoroughly reviewed the report and found no violations. Mr. Clinite stated he believed this was fair. All members voted to approve the motion to dismiss both cases.

Compliance File Review – Case 3282, Thomas Sheehy

Respondent was present. This matter is before the board for discussion, consideration and possible action following Respondent's request to terminate probation audit of files. Mr. Petrus noted several minor errors in the files that were audited. He questioned the Respondent about his mentor and how he is reviewing these reports. He noted that the Respondent is using 'auto-fill' software that may not be accurate. Discussion about whether the mentor was doing his job, given the issues they are finding in the reports. Mr. Petrus made a motion to extend the probation another three months, having Mr. Sheehy to obtain a new mentor as soon as possible, but allowing him to continue using his current mentor until he can obtain a new mentor. The motion included sending the audit report to the Respondent, obtain a new mentor that is outside of his business, and that he completes a minimum of six reports with three of these reports being selected at the end of three months for the board to audit again. Mr. Clinite seconded the motion. The motion was approved unanimously.

Initial File Review – Cases 3516, 3517 and 3518, Steve Johnston

Respondent was present. Mr. Yeanoplos noted that they will discuss 3516 and 3517, but that they will have to take 3518 separately as Mr. Ugenti is recusing himself from this case. Mr. Nolan read the board summary into the records for 3516. Complaint Summary: The complainant is a local appraiser who alleged that the respondent was not geographically competent to complete the appraisal assignment and that the number of errors and inconsistencies resulted in a report that was not credible. Respondent's Reply Summary: The respondent stated that the complainant fears competition in the local market and that he has held the appraisal report for over a year, choosing to turn them into the board at this time in an effort to discredit him. Mr. Johnston acknowledged there were errors made in the appraisal, but that they did not impact the credibility of the

report. Mr. Petrus questioned the opening of 3517, as the appraisal that was submitted in the complaint had the name of the appraiser blacked out.

Mr. Heaslet rejoined the meeting telephonically.

Mr. Clinite asked the Respondent if he did this appraisal, and the Respondent admitted that he did. It was also noted in his response to the board that he did the appraisal. Mr. Ugenti made a motion to dismiss 3517 due to redaction of the appraisers name in the complaint. Mr. Yeanoplos noted that on the record he admitted that this is his appraisal. Mr. Petrus stated that he had a problem with the board's acceptance of this complaint. Mr. Ugenti motioned to go into Executive Session for legal advice. Mr. Clinite seconded the motion. All voted in favor of the motion. Mr. Heaslet left the meeting temporarily. Upon return from Executive Session, Mr. Heaslet rejoined the meeting. Mr. Yeanoplos directed staff to be able to identify the appraiser on that particular complaint for future cases and if they cannot name the appraiser then the complaint should not be opened. Mr. Petrus questioned the Respondent about how often he is up in the Payson area. Respondent replied four days a week. The board's investigator for 3516 noted that the amended report did not have different dates disclosed when the report was changed. Mr. Petrus stated there were a series of minor errors noted in the report, nothing major. Mr. Petrus questioned the appraiser's \$20 per square foot size adjustment when the comparables were selling around \$180 per square foot. He asked if the Respondent had support for this adjustment. The Respondent answered he could not reply with certainty about this size adjustment.

Mr. Clinite read the summary for Case 3517 into the records. The complaint and reply for this case was similar to 3516. Discussion about size and time adjustments ensued on this case, similar to 3516. Mr. Petrus stated that for him, 3517 is off the table for him as in his opinion this case should not have been opened. Mr. Ugenti noted that whether we have one report or both reports, we probably would have come to the same conclusion about the issues found in his work. Mr. Petrus motioned to dismiss 3517. Mr. Nolan seconded the motion. The motion carried with four ayes. James Heaslet abstained from the vote and Mr. Yeanoplos voted nay. Mr. Yeanoplos explained his vote simply because the Respondent admitted that he had completed this report was why he voted no.

On 3516, Mr. Petrus noted no support in the work file for livable area adjustment and market adjustment, agreeing with the investigator, noting the change in the report but not changing the date of signature in the report is misleading. He motioned to find a Level 1, Letter of Concern, noting violations of 1-1(a)(c); 2-1(a) and 2-2(b)(iii) as shown in the investigator's report. Mr. Ugenti seconded the motion. James Heaslet abstained from the vote, but the remaining members voted to approve the motion.

Mr. Ugenti recused himself from Case 3518. Mr. Petrus read the board summary into the records which was similar to both 3516 and 3517. He then stated that the investigator found some issues with the report and that he agreed with these findings. Mr. Heaslet noted that there is a pattern present with these files indicating that the lack of care is consistent and habitual. Mr. Petrus noted that there were several items of personal property noted in the contract that were not discussed in the report. He also questioned the Respondent about viewing the comparables. The Respondent answered that at the time of the report there was three feet of snow on the ground and that no vehicle could make it up there. He had contacted RELs about his inability to get to the property and that they were okay with his using the MLS photos for the comparables. He admitted that he neglected to note this in his report. Mr. Heaslet questioned the

size adjustments used in the report, noting that the majority of the sales used were smaller than the subject. He noted that if the size adjustment is too low the value would not be credible. He cited that the job of protecting the public would include stacking the reports to reflect that a pattern is in place. Mr. Petrus agreed that both reports contained many of the same problems. He then motioned to find a Level 1 with remedial action, a 7-hour report writing class to be taken within the next 6 months and no continuing education allowed, citing the USPAP violations noted in the investigator's report. Mr. Heaslet seconded the motion. All of the members approved the motion, with Mr. Ugenti recused.

Mr. Heaslet left the meeting.

Compliance File Review Case 3177 – Theresa McReynolds

This matter was before the board for discussion, consideration and possible action following Respondent's request to terminate probation and audit of files. Respondent was present. Mr. Petrus questioned the Respondent on one of the audited files as to why the value was higher than what the subject is listed. The property was listed \$179,900 and the appraisal was for \$192,000. She answered that the property was offered as a VA short sale. Further discussion resulted in Mr. Petrus making a motion to terminate the probation. Mr. Nolan seconded the motion. All voted in favor of the motion.

Compliance File Review Cases 1782, 1784 and Initial File Review for Case 3524 - Felicia Coplan

Respondent and her attorney, Tina Ezzell was present. The cases 1782 and 1784 were before the board for discussion, consideration and possible action following the expiration of Respondent's license on February 28th, 2013. Mr. Petrus read the summary for the records on the Initial File Case 3524 which was opened by the board for non-compliance. Mr. Yeanoplos questioned if the USPAP class had been taken. Ms. Ezzell stated yes she had taken the class and that the only thing remaining was three of the twelve reports. When Ms. Coplan was questioned about her license expiration she informed the board that she had just sent in her application for renewal. She has been working in Nevada and California where she is also licensed, but has not been doing work in Arizona since the order was in place. She was to complete a minimum of twelve reports of which she has completed only nine in the State of Arizona. Mr. Yeanoplos made a motion to review the log of the nine reports, allowing her to not have to complete the other three. He wants staff to select three of the nine reports for audit and have Ms. Coplan provide the appraisals and work files including the mentor reports. He found her to now be in compliance for the USPAP course. Mr. Petrus seconded the motion as long as the motion includes the work files including the mentor reports. Mr. Ugenti requested that Ms. Coplan be placed under oath. After Mr. Yeanoplos read the oath, Ms. Coplan agreed to tell the truth in this matter. Mr. Ugenti then questioned her if she had been doing any appraisals in the State of Arizona during the probation period without a mentor. She stated no she had not. He asked if her log was complete as to the appraisals and reviews that she has completed in the State of Arizona. Ms. Coplan stated yes but answered that she does not do reviews. Mr. Yeanoplos asked Mr. Ugenti if he had anything that he wanted to bring before the board, but Mr. Ugenti stated not at this time. Mr. Yeanoplos called for the question, and all approved the motion to dismiss Case 3524

for non-compliance and to look at the appraisals for 1782 and 1784 to decide what action to take on these cases.

Compliance File Review for Case 3428 - Mark Reed

Respondent was present with his attorney, Tina Ezzell. Mr. Yeanoplos stated that the matter was before the board for discussion, consideration and possible action following Respondent's failure to sign proposed Letter of Remedial Action. He stated for the record that the board had received additional information the day before the meeting that the board had not had the time to review. Ms. Ezzell apologized to the board for the late submission. She requested that she be allowed to verbalize the additional information with the board instead of deferring the matter. She gave a summary of the complaint which was submitted by the homeowner due to another appraisal that was completed on this property that the homeowner thought was worth more. However, when Mr. Reed appraised the property his value was lower than the first appraisal. The homeowner thought there was some collusion between Mr. Reed and the lender. The board sent both reports to investigation. Ms. Ezzell stated that the investigator's report was flawed with regards to the number of bathrooms, but she admitted that one of the comparables was slightly in error on the appraisal by 100 square feet. Mr. Reed stated that the investigator's report said he did not describe what vacant is, when it was clearly shown on page one of the URAR just to the left of the percentage of vacant. He and Ms. Ezzell disputed the investigator's report in several areas. However, Mr. Reed noted that the market conditions, comparables or adjustments used were not criticized in this investigators report. He said the other items were missed by the investigator as the items noted in the report were actually in the appraisal. Mr. Yeanoplos questioned the board if they felt that they had enough information to decide this case today in light of the additional information. He said he wanted to table the matter until the board had the opportunity to review this additional information. Ms. Ezzell requested that if the board were to defer this case until next month that they be assigned a specific time to alleviate more charges to Mr. Reed. Mr. Yeanoplos explained that he tries to accommodate all that appear on a first come first served basis. However, he will make sure to try to accommodate her request next month. Mr. Yeanoplos tabled the case until next month.

Compliance File Review for Cases 2462 through 2469 and 3525– Shawkat Halabu

The Respondent was present. This matter was before the board for discussion, consideration and possible action following audit of requested files. Case 3525 was opened by the board for non-compliance in the Cases 2462 through 2469. Mr. Petrus led the discussion involving Mr. Halabu being on probation under mentorship and questioned him on the audited files containing incomplete legal descriptions, incorrect census tract numbers, incorrect market supply information, and sales concessions not identified. The respondent answered that the legal description was correct, even if he did not show the lot number, he had the correct subdivision. He further explained that he uses what is shown on IMAPP and that his WIN Total software automatically populates the census tract and flood map information. Mr. Yeanoplos questioned how serious these issues were to the development of the report. Mr. Ugenti pointed out that this is a learning opportunity for Mr. Halabu to understand the difference between a lot and a subdivision legal description. Mr. Halabu stated that he is eager to learn and does not want to rely on

inaccurate data sources. Upon further discussion regarding his confirmation of data and the insignificance of the items found in the audit, Mr. Clinite made the motion to dismiss the complaints and Mr. Petrus seconded the motion. All approved.

Compliance File Review for Case 3502 – Jonathan George

The Respondent was present, along with Mr. Andy Evans, who was sitting in for Mr. Bob Spurlock, attorney for the Respondent. This matter was before the board for discussion, consideration and possible action following Respondent's failure to sign proposed Consent Agreement and Respondent's proposed counteroffer. There was some misunderstanding about how many reports would be required during the probation period, along with when the reviews would need to be completed. Ms. Galvin explained that the consent agreement states a minimum number of reports that would need to be completed before probation can be completed and that every appraisal he completes would need to be reviewed. The board discussed the counteroffer which reduced the mentorship time from 6 months to 3 months, continuing probation for the original 6 months; allow continuing education for the 15-hour basic appraisal class that was originally offered. Mr. Yeanoplos motioned to accept the reduced mentorship to 3 months with every report reviewed during this initial period of time, and keeping the original 6 month probation. The motion also includes allowing continuing education for classes in the original agreement. A question arose about the procedure when he requests termination of this probation. The response resulted in Mr. Ugenti directing staff to request the Standard 3 Reviews from the mentor and their work files. Mr. Petrus agreed with Mr. Ugenti that the mentor should be submitting the work files and reviews for the audited reports that they will review. Mr. George verbally agreed to the revised agreement. Mr. Yeanoplos reminded the board that there is a motion on the floor. Mr. Petrus seconded the motion and the vote was unanimous to approve.

Initial File Review Case 3529 – Robin Silberman

The Respondent was present. Mr. Nolan read the summary into the records. Complaint Summary: The complainant is the homeowner who alleged that the appraiser misrepresented the subject property and market conditions to an out of state lender. Respondent's Reply Summary: The Respondent stated that she utilized the best available comparable sales at the time of appraisal and that the subject market, though increasing from 12 months prior, had declined in the most recent 3-6 months. The board members questioned the Respondent about the printed work file versus the electronic work file that she keeps. Mr. Petrus made a motion to dismiss the case. Mr. Clinite seconded the motion. The motion carried unanimously. Mr. Yeanoplos directed staff to provide Ms. Silberman with a copy of the review completed by the board's contract investigator.

AMC Complaint Initial File Review A0103 – Finiti, LLC

Mr. Jay Colvin, attorney for the Respondent appeared on their behalf. The complainant alleged that he had been wrongfully removed from this companies approved list. Colvin explained that the complainant had not been removed from the panel, but due to diminished work in the county his appraisal assignments have decreased. He pointed out that in the engagement letter it clearly indicates that he would not be used exclusively and that the current statute says the AMC should not try to influence the appraiser. Mr.

Clinite made a motion to dismiss the complaint, and Mr. Petrus seconded the motion. All voted unanimously in favor of the motion.

Initial File Review for Case 3513 – April Dannenberg

The Respondent was present. Mr. Yeanoplos read the summary into the record.

Complaint Summary: The complainant is Chase Bank who alleged that the appraiser utilized comparable sales that were in superior condition to the subject and failed to consider additional sales within the subject subdivision that would have resulted in a lower estimate of value. Respondent's Reply Summary: The Respondent stated that the sales provided by the lender were inferior to the subject and that the comparables she used were the best available data at the time of appraisal. Ms. Dannenberg further states that the sales were chosen to bracket the subject's physical attributes and premium preserve location. Discussion from the board about the cost approach, incorrect sales price for Comps 1 and 2 as was shown by the board's contract investigator, resulted in Mr. Petrus moving to offer a Level 1, Letter of Concern for USPAP Standard 1-1(a.). Mr. Ugenti seconded the motion. The motion carried unanimously.

Compliance File Review for Case 3300 – Daniel Ragno

Respondent and his attorney Mr. Kraig Marton appeared before the board. This matter was before the board for discussion, consideration and possible action following Respondent's failure to sign proposed consent agreement, the Board's request to audit Respondent's files from the last 90 days and Respondent's proposed counteroffer. Mr. Petrus stated that he was satisfied with the reports after the board reviewed the recent files; thus he motioned to terminate probation and mentorship. Mr. Clinite seconded the motion and the motion carried unanimously.

Compliance File Review for Cases 2624 and 3326 – Shamika Hill

The Respondent was present. This matter was before the board for discussion, consideration and possible action following Respondent's request to terminate probation and audit of recent files. Mr. Petrus made a motion to terminate probation and mentorship. Mr. Ugenti seconded the motion. The motion was approved unanimously.

Initial File Review Case 3530 – Rita Powers

Respondent was present. Mr. Yeanoplos read the summary into the record. Complaint Summary: Complainant is the buyer who was unhappy with the appraiser's turnaround time. Respondent's Reply Summary: The Respondent states that she accepted the assignment with an agreed upon delivery date of 2/19/2013. Ms. Powers inspected the property on 2/6/2013. The buyers were told by their loan officer that the appraisal would be completed by 2/11/2013. They became upset when the Respondent informed them that the report would not be completed until the agreed upon delivery date of 2/19/2013. Ultimately, the appraisal was reassigned to another appraiser and the Respondent never completed the report. Mr. Petrus did not concur with the complainant, and made a motion to dismiss. Mr. Ugenti seconded the motion. The motion carried unanimously.

AMC Complaint Initial File Reviews A0098, A0099, A0101 and A0102 – ES Appraisal Services, LLC

The complaints were before the board to decide if they should be included in the prorated share of the bond payment that the board has received. The complaints were received within the time frame that the board allowed; thus Mr. Petrus motioned to include them in the payout. Mr. Yeanoplos seconded the motion, and it was unanimously approved.

AMC Complaint Initial File Reviews A0100 and A0104 – National Real Estate Information Services (NREIS)

Both of these complaints allege non-payment of fees to appraisers. Mr. Petrus made a motion to continue processing the bond claim for these two cases. Mr. Clinite seconded the motion. The motion carried unanimously.

AMC Complaint A0097 – Equity Solutions USA

The complainant alleged that this company has deceptive business practices. Mr. Ugenti made a motion to dismiss the complaint, and Mr. Clinite seconded the motion. The motion carried unanimously.

Investigative Review for Cases 3480, James Graham and 3481, Paul Johnson

Neither Respondent was present. Both cases were for the same appraisal, with Mr. Johnson being the mentor for Mr. Graham at the time the appraisal was completed. This matter was before the board for discussion, consideration and possible action following receipt of the investigative report. Mr. Petrus made a motion to dismiss the case after reviewing the investigator's report. Mr. Nolan seconded the motion. The motion carried unanimously.

Investigative Review for Case 3334, Randall Lineberger

Respondent was not present. Mr. Petrus made the motion to accept the investigator's report and to request a log from the respondent for the appraisals he completed for the last 12 months,. He further added to the motion for the staff to select 3 reports for audit and then to return this matter to the board after they are audited. Mr. Nolan seconded the motion. The motion carried unanimously.

Old Business

Mr. Yeanoplos discussed with the board the need for a two day meeting in May, for the 16th and 17th. He tabled item 5A on the agenda for discussion, consideration and possible action concerning committee member assignments. He directed staff to contact Mr. Stroud about the schedule for training on the board approved education course audits.

Item E under Old Business was for the board to discuss, consider and possibly take action relating to Interthinx and other entities that are allegedly acting as an AMC without benefit of registration. Mr. Ugenti made a motion for staff to send a cease and desist letter or to get registered within ten days, unless they can offer proof that they are not acting as an AMC. Upon further discussion from the board about procedural issues, Mr. Ugenti withdrew his motion. He then made a motion to open a complaint on Interthinx for operating without a proper registration. Mr. Yeanoplos seconded the

motion, and it was unanimously approved.

Application Review Committee Report

Mr. Petrus reported that the committee recommends approval of all items under number 2, 3, 4, 6, 7, 8, 9 and 10 on the agenda. (See attached agenda recommendations). They recommended that the board find items under 5 to be substantively incomplete, and that staff close the files under 9 on the agenda. Mr. Ugenti made a motion to accept the recommendations of the Application Committee. Mr. Clinite seconded the motion. The motion carried unanimously.

The item under Committee Reports 1(b) was before the board for permanent approval of the selected mentor for Kathryn Strait. The temporary approval had been given by Ms. Rudd in January, but due to a staff change the Board had not seen the item on the agenda until now. Mr. Petrus made a motion to approve the mentor, and Mr. Yeanoplos seconded the motion. The motion carried unanimously.

Education Committee Report

Mr. Petrus recommended that all items on the agenda be approved by the full Board. Mr. Ugenti made a motion to accept the recommendations of the Education Committee. Mr. Nolan seconded the motion. The motion was unanimously approved. (See attached agenda).

AMC Complaints – Initial File Review A0076, Directware Services, LLC

Mr. Yeanoplos informed the board that A0076 was placed on this agenda in error. It had been dismissed in a previous month's meeting.

Due to time constraints, the Board was not able to hear items A, B or C under Old Business; Chairperson's report or Executive Director's report.

Adjournment

Mr. Ugenti left the meeting at 4:20 p.m. The meeting adjourned at 4:20 p.m.

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**RECOMMENDATIONS
COMMITTEE ON APPLICATION REVIEW**

To: Board of Appraisal

From: Application Review Committee

Date: April 19, 2013

Re: April 18, 2013 Recommendations

I. Other Business

A. Report on number of Arizona Appraisers and Property Tax Agents:

	<u>4/2011</u>	<u>4/2012</u>	<u>4/2013</u>
Licensed Residential	604	335	288
Certified Residential	1225	1165	1125
Certified General	829	807	766
April Totals	2658	2307	2179
Nonresident Temporary	71	77	78
Property Tax Agents	359	369	348

As a result of its **April 18, 2013** meeting the Application Review Committee makes the following recommendations:

B. To Table the review of additional information regarding pending litigation from Andrew J. Moyer Certified General #31428.

C.. To approve Martin G. Holloway Certified Residential #21581 requesting to take the 7-hour USPAP Update online.

II. To Approve the Following Renewal:

11794 Jennifer L. Brown

III. To Find the Following Applications Substantively Complete:

AL11612 Jeremy B. Carter
AG11666 John A. Kilpatrick (by reciprocity)
AL11667 Genevieve L. Konves
AR11670 Ronald D. Sands
AG11754 Jack W. Bass II (by reciprocity)
AG11755 Peter P. Evans (by reciprocity)
AG11756 Thomas L. Clymore (by reciprocity)
AG11760 Martin H. Aaron (by reciprocity)
AR11761 Todd A. Dandeneau (by reciprocity)
AG11837 Neil F. Salzgeber (by nonresident temporary)

IV. To Find Substantively Complete Pending DPS:

AG11768 J. Carl Schultz, Jr. (by reciprocity)

V. To Find the Following Applications Substantively Incomplete:

AG11641 Jonathan A. Hale

VI. To Approve Applications for License/Certificate Already Issued:

A. Reciprocity

12048 M. Marian Adair
12049 Shannon K. Steadman
31940 David R. Walden

B. Nonresident Temporary

TP41417 Charles P. Gardner
TP41418 Roland deMilleret
TP41419 Keith Harper
TP41420 James W. Myers
TP41421 Miles Loo, Jr.
TP41422 James W. Myers
TP41423 James W. Myers
TP41424 Miles Loo, Jr.
TP41425 Miles Loo, Jr.
TP41426 Stephen Rushmore, Jr.
TP41427 Marcus W. Kilpatrick
TP41428 Richard M. Lawless
TP41129 Corey J. Johnston
TP41430 Bradford L. Adams
TP41431 JoAnn C. Wall
TP41432 Darryl L. Moeller
TP41433 Tanya J. Pierson
TP41434 Martin H. Aaron

VII. To Approve the Following AMC Applications:

215 Value360, LLC
216 First Valuation Services, LLC

VIII. To Find Substantively Complete Pending Additional Items:

217 Valuation Link, LLC
218 Valued Veterans, LLC

IX. To Approve the following:

40048 Equifax Settlement Services request for a name change to
Solutionstar Settlement Services, LLC.

40213 FT Valuation Services, LLC submitted additional information for
Daniel K. Murphy

X. Consent Agenda

To close the following appraiser's license/certificate that fail to renew within their 90-day grace period.

10522	Brunet, David A.
10846	Measel, Edward A.
11211	Neal, Jr., Kenneth R.
11217	Cunningham, Aaron M.
11700	Captain, Mark S.
11710	Urtiz, Jr., Miguel
20971	Davis, Katherine M.
21494	Klos, Ronin P.
21495	Speelman, Bryan S.
21499	Clark, Patrick J.
21500	Ziegler, David I.
22045	Cook, William F.
22046	Payne, Jeffrey A.
22186	Leader, John E.
31298	Singer, Arturo
31821	Lubawy, Matthew J.
31822	Stewart, Kendal D.

**RECOMMENDATIONS
COMMITTEE ON APPRAISAL TESTING AND EDUCATION**

TO: Board of Appraisal
FROM: Committee on Appraisal Testing and Education
DATE: April 18, 2013
RE: April 18, 2013 Recommendations

As a result of its April 18, 2013 meeting, the Committee on Appraisal Testing and Education made the following recommendations:

I. OTHER BUSINESS

- A. Amend course hours from 7 to 6 hours for the course of How to Analyze & Value Income Properties, ABA #D0909-877, Distance education. Course provider is Mckissock LP. They have reduced the hours in comparison to their previous renewal in 2012.

II. DISCUSSION AND POSSIBLE ACTION

- A. Review of Applications, policies and procedures for education course approval

III. CONTINUING EDUCATION – NEW COURSE(S) - previously approved by the Board

- A. Submitted by ***Trans-American Institute***
 - 1. **National USPAP Update 2012/2013**, ABA # issued after approval, 7 hrs
Lynne L. Heiden
 - 2. **Sales Comparison Methodology**, ABA # issued after approval, 7 hrs
Lynne L. Heiden, Ann Susko

IV. CONTINUING EDUCATION – NEW COURSE(S) - not previously approved by the Board

- A. Submitted by ***Arizona Appraisers State Conference, LLC***
 - 1. **Comparable Sales Analysis for Residential Appraisers**, ABA # issued after approval, 7 hours
Joanna M. Conde'
 - 2. **Report Writing for Residential Appraisers**, ABA # issued after approval, 7 hours
Joanna M. Conde'
- B. Submitted by ***McKissock LP***
 - 1. **Relocation Appraisal & the New ERC Form**, ABA #issue when approved,- 6 hours
Dan Bradley

V. QUALIFYING EDUCATION – RENEWAL(S) – with addition or change of Instructors

- A. Submitted by ***Arizona School of Real Estate & Business***
 - 1. **Advanced Residential Applications and Case Studies (AP-09)**, ABA #0707-673-09, 15 hours

Earl Cass, Jacques Fournier, Bill Gray, Gretchen Koralewski, Don J. Miner, Roy E. Morris, Ron V. Schilling, Aaron Warren
* John Dingeman, Jeremy Johnson, Howard "Chuck" Johnson

2. **Residential Appraiser Site Valuation and Cost Approach (AP-05)**, ABA #0607-651-05, 15 hours
Earl Cass, Jacques Fournier, Bill Gray, Gretchen Koralewski, Don J. Miner, Roy E. Morris, Ron V. Schilling, Aaron Warren
* John Dingeman, Jeremy Johnson, Howard "Chuck" Johnson
3. **Residential Market Analysis and Highest & Best Use (AP-04)**, ABA #0607-650-04, 15 hours
Earl Cass, Jacques Fournier, Bill Gray, Gretchen Koralewski, Don J. Miner, Roy E. Morris, Ron V. Schilling, Aaron Warren
* John Dingeman, Jeremy Johnson, Howard "Chuck" Johnson
4. **Residential Sales Comparison and Income Approaches (AP-06)**, ABA #0607-052-06, 30 hours
Earl Cass, Jacques Fournier, Bill Gray, Gretchen Koralewski, Don J. Miner, Roy E. Morris, Ron V. Schilling, Aaron Warren
* John Dingeman, Jeremy Johnson, Howard "Chuck" Johnson
5. **Statistics, Modeling, Finance (AP-08)**, ABA #0707-672-08, 15 hours
Earl Cass, Neil Dauler-Phinney, John Dingeman, Jacques Fournier, Bill Gray, Howard Johnson, Gretchen Koralewski, Don J. Miner, Roy E. Morris, Ron V. Schilling, Ann Susko, Aaron Warren
* Howard "Chuck" Johnson

B. Submitted by **ASFMRA (America Society of Farm Managers & Rural Appraisers)**

1. **Cost Approach for General Appraisers – Online**, ABA #D0412-1075-12, Distance Education, 30 hours
Howard Audsley

VI. BY CONSENT AGENDA

A. **Continuing Education – renewals with no changes**

1. **Submitted by Appraisal Institute**

Appraising the Appraisal: Appraisal Review Residential, ABA #0412-1074, 7 hours
Craig Harrington

Online Analyzing Distressed Real Estate, ABA #D0705-449, Distance Education, 4 hours
William "Ted" Anglyn
2. **Submitted by McKissock LP**

Appraising in a Post-HVCC World, ABA #0810-954; 4 hours
Wally Czekalski

Essential Elements of Disclosures and Disclaimers, ABA #D0810-956, Distance Education; 5 hours
Dan Bradley

Live Webinar: Deriving & Supporting Adjustments, ABA #D0512-1082, Distance Education, 3 hours
Dan Bradley, Tracy Martin, Chuck Huntoon

Live Webinar: Intro. to Complex Appraisal Assignments, ABA #D0512-1083, Distance Education, 5 hours
Dan Bradley, Tracy Martin, Chuck Huntoon

2012-2013 National USPAP Update & Equivalent, ABA #0210-913, 7 hours
Dan Bradley, Wally Czekalski, Ken Guilfoyle, Chuck Huntoon, Tracy Martin, Richard McKissock, Larry McMillen, Steve Vehmeier, John Willey, Susanne Barkalow, Paul Lorenzen, Dan Tosh, Greg Harding, Rob McClelland, Diana Jacob, Rob Abelson, Alex Gilbert

Risky Business: Ways to Minimize Your Liability, ABA #D1009-887, Distance Education, 5 hours
Alan Simmons

The Evolution of Finance and the Mortgage Market, ABA #D1207-725, Distance Education, 4 hours
Chuck Fisher

3. **Submitted by Trans-American Institute**

URAR Revisited, ABA #0312-1076, 7 hrs
Lynne L. Heiden, Ann Susko, Barry J. Shea

B. **Qualifying Education – renewals with no changes**

1. **Submitted by Dynasty School**

Real Estate Principles and Procedures, ABA #D0512-1084-01-02, Distance Education, 60 hours
Robert Abelson

2. **Submitted by McKissock LP**

Residential Report Writing and Case Studies, ABA #D0512-1085-07, Distance Education, 15 hours
Dan Bradley

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